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09/846,025	04/30/2001	Philip M. Ginsberg	CF-20	4295

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EXAMINER
DASS, HARISH T

ART UNIT	PAPER NUMBER
3628	

DATE MAILED: 06/23/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

		Application No.	Applicant(s)
Office Action Summary		09/846,025	GINSBERG ET AL.
		Examiner	Art Unit
		Harish T. Dass	3628

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on <u>28 February 2006</u>.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-42 and 46-55* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-42 and 46-55* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All b)☐ Some * c)☐ None of:

        1.☐ Certified copies of the priority documents have been received.

        2.☐ Certified copies of the priority documents have been received in Application No. _____.

        3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date <u>9/15/05</u>.

4)☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .

5)☐ Notice of Informal Patent Application (PTO-152)

6)☐ Other: _____ .

DETAILED ACTION

Claims 43-45 are canceled.

Claim Rejections - 35 USC § 101

1.   35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 39-40 are rejected under 35 U.S.C. 101 because the disclosed invention is inoperative and therefore lacks utility. Independent claim 39 recites "calculating said price for said event outcome in accordance with available <u>market information</u>", the specification does not provide any evaluation steps, evaluation criteria or formula to show how this calculation is made and should be reproduced without guessing. It is *obvious that one of ordinary skill in the art reviewing this application cannot reproduce the price as it is claimed* (reference - specification paragraph 0061 does not provide what market information is.)

Claim Rejections - 35 USC § 112

2.   The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 23-25 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Particularly:

Claim 23 is not clear "determining a second selection of wagerable event outcomes

from said first selection in accordance with said client instructions"

Claim 39 is not clear "receiving a request from said client to wager on an event

outcome, said event outcome being associated with a data and a market, wherein a

price for said event outcome for said date is unavailable from said market".

Clarify the above rejections and provide page numbers of the specification where

these limitations are defined.

Claim Rejections - 35 USC § 102

3.   The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that

form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 11-13, 41 are reject rejected under 35 U.S.C. 102(e) as being anticipated

by Paravia et al (hereinafter Paravia – US 6,508,710)

Re. Claim 11, Paravia discloses determining a wagering limit for said client *[C9 L1-L5;*

C10 L64 to C11 L18; C22 L57-L67];

selecting wagerable event outcomes on which said client is authorized to wager

[Figures 2-3; C9 L24-L50; C10 L49-L55; C22 L57-L67- for qualifying, eligibility or

authorization "alternatively or additionally limit ... certain financial means];

displaying to said client said selection of wagerable event outcomes *[Abstract;*

figure 6; C5 L19-L31; C12 L41-L50; C22 L57-L67];

receiving a request from said client to wager on one of said selection of

wagerable event outcomes *[Abstract; C3 L39-L55; C9 L24-L50; C10 L49-L55];*

and

adjusting substantially immediately said wagering limit of said client *[C11 L1-L35; C2*

L35-L50; C8 L55-L67; C20 L61-L65 – see also rules and attributes].

Re. Claim 12, Paravia discloses wherein each said event outcome has a minimum

required wager associated therewith, said selection of wagerable event outcomes only

including those said event outcomes whose minimum wager is not greater than said

wagering limit *[C6 L56-L65; C10 L64-L67].*

Re. Claim 13, Paravia discloses re-selecting substantially immediately wagerable event

outcomes on which said client is authorized to wager in accordance with said adjusted

wagering limit *[C9 L24-L50; C10 L49-L55].*

Re. Claim 41, Paravia discloses qualifying a client to participate in wagering *[C6 L32-L37; C7 L45-L58; C8 L12-L21; C22 L57-L67- for qualifying, eligibility or authorization "alternatively or additionally limit … certain financial means; and credit limit]*;

receiving from said client instructions defining a maximum amount said client desires to risk *[C6 L60-L65]*;

receiving from said client a request to wager on an event outcome on which said client is authorized to wager *[Figures 2-3; C9 L24-L50; C10 L49-L55]*;

and

warning said client when said requested wager and other wagers of said client exceed said maximum amount *[C9 L43-L50; C8 L55 to C9 L5 – e.g. if the credit limit exceeds, "*the player can be given the opportunity to update or replenish his or her account at that time", which mean player is alerted*]*.

Claim Rejections - 35 USC § 103

4.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 26-29, 42, 52-55 are rejected under 35 U.S.C. 103(a) as being unpatentable over Paravia.

Re. Claim 26, Paravia discloses receiving a request from a client to wager on an event outcome on which said client is authorized to wager *[Abstract; Figures 2-3; C9 L24-L50; C10 L49-L55; C22 L57-L67]*. Paravia does not explicitly disclose determining automatically an amount to hedge said wager based upon predetermined criteria, and hedging said wager in accordance with said determination. *However, hedging is well-known in the financial market to offset the risk. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify the disclosure of Paravia and include hedging to allow the wager to protect its wager from adverse price change.*

Re. Claims 27-29, Paravia discloses predetermined criteria includes a measure of other wagers placed by other clients *and* wherein said predetermined criteria includes past performance of said client *[Abstract; C11 L1-L35; C2 L35-L50; C8 L55-L67; C20 L61-L65 - see rules] and* wherein said amount is greater than zero *[C13 L40-L55]*.

Re. Claim 42, Paravia does not explicitly disclose receiving from said client instructions to reject wagers exceeding said maximum amount, and rejecting said wager request when said requested wager and other wagers of said client exceed said maximum amount. *However, these steps are well-known in credit card transaction. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Paravia to include credit limit to prevent abuses and fraud.*

Re. Claim 52, Paravia discloses providing a selection of wagerable event outcomes
[Abstract; C9 L24-L50; C10 L49-L55; C22 L57-L67];

receiving a request from a client to wager on an event other than one of said
selection of wagerable event outcomes *[Figures 2-3; C9 L24-L50; C10 L49-L55 – e.g.
two races or two games];*

analyzing whether said requested event outcome should be offered as a
wagerable event outcome *[C6 L32-L37; C7 L45-L58; C8 L12-L21 – e.g. qualify the
client];*

establishing price and spread for said requested event outcome in response to a
favorable analysis of said requested event *[C6 L17-L37; C15 L52-L60].* Paravia does
not explicitly disclose adding said requested event outcome to said selection of
wagerable event outcomes in response to said favorable analysis. *However, this is a
business choice. It would have been obvious at the time the invention was made to a
person having ordinary skill in the art to modify the disclosure of Paravia and add
another event to allow the client to increase change his/her exposure.*

Re. Claims 53-54, Paravia does not explicitly disclose notifying said client of said new
wagerable event outcome, and notifying another client of said new wagerable event
outcome. *However these are well-known where events are advertised in major news
paper in anticipation of larger client group to bet which result in larger profit for the
organizer.*

Re. Claim 55, Paravia discloses qualifying a client for wagering *[C6 L32-L37; C7 L45-L58; C8 L12-L21]*;

   providing a selection of wagerable event outcomes *[Abstract; C9 L24-L50; C10 L49-L55]*;

   receiving a request from a client to wager on an event outcome other than one of said selection of wagerable event outcomes *[Figures 2-3; C9 L24-L50; C10 L49-L55]*; Paravia does not explicitly disclose adding said requested event outcome to said selection of wagerable event outcomes. *However, this is a business choice. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Paravia and add another event to allow the client to increase change his/her exposure.*

Claims 14-15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Paravia in view of Torango (US 6,241,608).

Re. Claim 14-15, Paravia discloses wager in US currency. Paravia does not explicitly disclose selecting a currency in which to wager and paying said client in a currency chosen by said client in response to the maturity of successful wager. *However, this is a business choice. Additionally, player (wager) using his/her credit card may be using a foreign county issued credit card, which is automatically pays in local denomination. Torango discloses game devices using different currency [C3 L50-L56; C13 L15-L60] to*

link between different currencies and allow player to play for different currency prize. It

would have been obvious to one of ordinary skill in the art at the time the Applicant's

invention was made to combine disclosures of Paravia and Torango and include wager

if different currency to attract foreigners to place wager and increase the profit.

Claims 1-10, 16-22, 25, 34-38, 50-51 are rejected under 35 U.S.C. 103(a) as being

unpatentable over Paravia in view of Brenner et al (hereinafter Brenner – US

6,004,211).

Re. Claim 1, Paravia discloses qualifying a client to participate in wagering *[see entire*

document particularly, Abstract, Figures 1-4, 6-7; C1 L5-L59; C6 L32-L37; C7 L45-L58;

C8 L12-L21 – see check to determine whether an accessing player is a registered user

of the system];

selecting a plurality of wagerable event outcomes in accordance with said

qualifying *[C9 L24-L50]*;

receiving a request to wager on one of said event outcomes *[Figures 2-3; C9*

L24-L50; C10 L49-L55 – see place a wager which means that the wager has to be

received to be accepted by the system]; and

Paravia does not explicitly disclose an interactive system and notifying

substantially immediately whether said wager has been accepted.

However, Brenner disclose an interactive system and notifying substantially immediately

whether said wager has been accepted *[see entire document particularly, Abstract;*

Figure1-4, 40; C1 L1 to L2 L30; C3 L23-L30, C4 L22-L42; C5 L35 to C6 L37; C7 L20-L54; C8 L66 to C9 L25; C10 LL9-L23; C24 L7-L21] to provide interactive wagering system over the telephone lines (Internet), provide a user with an opportunity to place a wager and confirm the wager. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to combine disclosures Paravia and Brenner to provide an interactive wager system to allow the user to place a wager from his home or remote side with out going to the sport sites, etc.

Re. Claims 2-3, Paravia discloses displaying said selected event outcomes at a workstation *[C5 L19-L30], and* receiving occur via
the Internet *[C5 L19-L30].*

Re. Claim 4, Paravia discloses qualifying includes pre-authorizing a monetary limit on wagering *[C9 L1-L5; C22 L57-L67].*

Re. Claim 5, Paravia discloses one event outcome comprises which team will win the next Major League Baseball World Series *[L10 L29-L31].*

Re. Claim 6, Paravia discloses one event outcome comprises a casino's performance at a game of chance over a predetermined time period *[Abstract; L11 L45-L50 – see various format].*

Re. Claim 7, Paravia discloses providing an Internet Web site that includes a selection

of event outcomes *[Abstract; C3 L39-L55]*;

qualifying a client to participate in wagering *[C6 L32-L37; C7 L45-L58; C8 L12-

L21]*;

receiving from said client via said Internet a request to wager on one of said

event outcomes *[Abstract; C3 L39-L55; C9 L24-L50; C10 L49-L55]*;

determining substantially immediately whether said client is qualified to place

said wager *[Figures 1-4, 6-7; C1 L5-L59; C6 L32-L37; C7 L45-L58; C8 L12-L21 – see

check to determine whether an accessing player is a registered user of the system]*.

Paravia does not explicitly disclose notifying said client substantially immediately via

said Internet whether said wager is accepted.

However, Brenner disclose an interactive system and notifying substantially immediately

whether said wager has been accepted *[see entire document particularly, Abstract;

Figure1-4, 40; C1 L1 to L2 L30; C3 L23-L30, C4 L22-L42; C5 L35 to C6 L37; C7 L20-

L54; C8 L66 to C9 L25; C10 LL9-L23; C24 L7-L21] to provide interactive wagering

system over the telephone lines (Internet), provide a user with an opportunity to place a

wager and confirm the wager. It would have been obvious to one of ordinary skill in the

art at the time the Applicant's invention was made to combine disclosures Paravia and

Brenner to provide an interactive wager system to allow the user to place a wager from

his home or remote side with out going to the sport sites, etc.*

Re. Claim 8-10, Paravia discloses qualifying includes establishing a line

of credit for said client, line of credit as wagers are accepted *and* determining includes

determining whether a wagered amount is within said line of credit *[C10 L64 to C11*

L18].

Re. Claim 16, Paravia discloses establishing a line of credit for a client *[C10 L64 to C11*

L18];

      displaying to said client a selection of event outcomes on which said client is

authorized to wager *[C5 L19-L30 C9 L24-L50; C10 L49-L55];*

      receiving a request from said client to wager on one of said selection

of event outcomes *[Figures 2-3; C9 L24-L50; C10 L49-L55];*

      updating substantially immediately said line of credit of said client *[C10 L64 to*

C11 L18; C20 L60-L65];

      and

      updating substantially immediately said selection of event outcomes on which

said client is authorized to wager *[C9 L24-L50; C10 L49-L55].*

 Paravia does not explicitly disclose confirming substantially immediately acceptance of

said wager. Additionally, it is well-known that the credit lime of credit cards can be

increased by calling the credit card financial institution to provide more spending ability.

      However, Brenner disclose this step *[see entire document particularly, Abstract;*

Figure1-4, 40; C1 L1 to L2 L30; C3 L23-L30, C4 L22-L42; C5 L35 to C6 L37; C7 L20-

L54; C8 L66 to C9 L25; C10 LL9-L23; C24 L7-L21] to provide interactive wagering

system over the telephone lines (Internet), provide a user with an opportunity to place a

wager and confirm the wager. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to combine disclosures Paravia and Brenner to provide an interactive wager system to allow the user to place a wager from his home or remote side with out going to the sport sites, etc.

Re. Claim 17, Paravia discloses rewarding said client in accordance with predetermined wagering activity criteria *[C14 L16-L40]*.

Re. Claim 18-19 Neither Paravia nor Brenner explicitly discloses wherein said reward comprises an increase in said line of credit, the number of wagers placed by said client exceeds a predetermined minimum number of wagers, said client places a wager on a specified event, the total value of wagers placed by said client exceeds a predetermined minimum total value amount, said client wins an amount in excess of a predetermined amount *and* said client loses an amount in excess of a predetermined amount. *However these are business choice to encourage the wager to play within the rules and his/her means and prevent client from over extending him/her. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosures of Paravia and include above step to protect the client from bankruptcy.*

Re. Claim 20, Paravia discloses qualifying a client for wagering *[C6 L32-L37; C7 L45-L58; C8 L12-L21];*

receiving price information for said wagerable event outcomes *[C16 L45 to L17 L13]*;

generating a selection of event outcomes on which said client is authorized to wager, each said event having said price information associated therewith *[C17 L13-L54; Abstract; figure 6; C5 L19-L31; C12 L41-L50]*,

updating said display of wagerable event outcomes in real time when said received price information differs from said displayed price information *[C10 L20-L48]*. However, Brenner disclose displaying to said client said selection of event outcomes and associated price information. *However, Brenner discloses this feature [figure 36; C23 L3-L55] to provide menu for wager to select a play from menu on screen. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to combine disclosures Paravia and Brenner to provide the player a visual way to make wager.*

Re. Claims 21-22, Neither Paravia nor Brenner explicitly discloses wherein said receiving price information comprises receiving price information from at least two sources *and* corroborating received price information when said price information received from said sources differs. *Data redundancy is well-known for reliability purposes and it would be a business choice to provide best data available and to reduce the error take the average of the redundant value. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the*

disclosures of Paravia and Brenner to provide better price to get client trust and

confidence to continue business with the trusted system.

Re. Claim 25, Paravia discloses qualifying a client to participate in wagering *[C6 L32-*

L37; C7 L45-L58; C8 L12-L21; C22 L57-67 – for qualifying see "alternatively or

additionally limit … certain financial means"]; displaying to said client a plurality of event

outcomes, each said event outcome having a displayed price associated therewith *[C9*

L64 to C10 L35]; receiving a request from said client to wager on one of said plurality of

event outcomes at said displayed price associated with said event outcome *[C16 L45 to*

L17 L13; C9 L64 to C10 L35]; determining whether said displayed price of said event

outcome is the same as the current price of said event outcome *[C9 L42-L59; C16 L23-*

L64. Paravia does not explicitly disclose notifying said client substantially immediately if

said current price is different from said displayed price. *However, Brenner discloses this*

feature [figure 36; C23 L3-L55; C9 L43-L50; C8 L55 to C9 L5] to provide menu for

wager to select a play from menu on screen. It would have been obvious to one of

ordinary skill in the art at the time the Applicant's invention was made to combine

disclosures Paravia and Brenner to provide the player a visual way to make wager

Re. Claim 34, Paravia discloses determining a spread of a wagerable event outcome

[C6 L17-L37; C15 L52-L60];

       displaying at a workstation said wagerable event outcome and said spread of

said wagerable event outcome *[C5 L19-L30];*

receiving a request to wager on said wagerable event outcome *[Abstract; C3 L39-L55; C9 L24-L50; C10 L49-L55]*;

and

adjusting continually said spread of said wagerable event in accordance with predetermined risk criteria *[C15 L52 to C16 L11; C16 L34-35]*.

Paravia does not explicitly disclose notifying substantially immediately whether said wager has been accepted. However, Brenner disclose this step *[see entire document particularly, Abstract; Figure1-4, 40; C1 L1 to L2 L30; C3 L23-L30, C4 L22-L42; C5 L35 to C6 L37; C7 L20-L54; C8 L66 to C9 L25; C10 LL9-L23; C24 L7-L21] to provide interactive wagering system over the telephone lines (Internet), provide a user with an opportunity to place a wager and confirm the wager. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to combine disclosures Paravia and Brenner to provide an interactive wager system to allow the user to place a wager from his home or remote side with out going to the sport sites, etc.*

Re. Claims 35-38, Neither Paravia nor Brenner explicitly disclose wherein said risk criteria comprises a measure of past performance of a client wagering on said wagerable event, wherein said risk criteria comprises a measure of other wagers placed on said wagerable event, wherein said risk criteria comprises a measure of the volatility of a market, and wherein said wagerable event is associated with a market and said spread is further adjusted in accordance with a measure of the current direction of said

market. *However, these are well-known in financial market and academia for determining risk exposure. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify disclosure of Paravia and Brenner to calculate the volatility of the wager and minimize the loss.*

Re. Claim 50, Paravia discloses

displaying to said client a selection of wagerable event outcomes on which said client is authorized to wager in accordance *[Figures 1-4, 6-7; C1 L5-L59; C6 L32-L37; C7 L45-L58; C8 L12-L21]*;

receiving a request from said client to wager on one of said selection of wagerable event outcomes *[Figures 2-3; C9 L24-L50; C10 L49-L55]*;

and

updating on said card said financial information *[C9 L43-L50; C8 L55 to C9 L5; Abstract – replenishment]*.

Paravia does not explicitly disclose issuing a card to a client, said card encoded with identification information and financial information associated with said client;

reading said encoded information from said card, and

notifying said client substantially immediately whether said wager has been accepted.

However, issuing a card to a client, said card encoded with identification information and financial information associated with said client and reading said

encoded information from said card are well-known, where the client is identified by his account number coded on the credit card.

Brenner disclose an interactive system notifying said client substantially immediately whether said wager has been accepted [see claim 1] *to inform the client that his/her wager is confirmed. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to combine disclosures Paravia and Brenner to provide an wager system accepting a credit card as and ID and informing the client whether the bet is accepted.*

Re. Claim 51, Paravia discloses displaying a selection of wagerable event outcomes on which said client is authorized to wager in accordance with said encoded financial information *[Abstract; C3 L39-L55; C9 L24-L50; C10 L49-L55]*;

receiving a request from said client to wager on one of said selection of wagerable event outcomes *[Abstract; C3 L39-L55; C9 L24-L50; C10 L49-L55], and*

updating said financial information record associated with said client *[C10 L64 to C11 L18; C20 L60-L65]*.

Paravia does not explicitly disclose issuing a card to a client, said card encoded with identification information and financial information associated with said client;

reading said encoded information from said card,

updating a financial information record associated with said client in accordance with said encoded information read from said card, said financial information record stored within a data processing computer,

updating on said card said financial information, *and*

notifying substantially immediately whether said wager has been accepted.

However, issuing a card to a client, said card encoded with identification

information and financial information associated with said client, reading said encoded

information from said card, updating a financial information record associated with said

client in accordance with said encoded information read from said card, said financial

information record stored within a data processing computer, and updating on said card

said financial information are well-known and can be found in smart card.

Brenner disclose an interactive system notifying substantially immediately

whether said wager has been accepted *[see claim 1] to inform the client that his/her*

wager is confirmed. It would have been obvious to one of ordinary skill in the art at the

time the Applicant's invention was made to combine disclosures Paravia and Brenner

to provide an wager system accepting a smart card as and ID, and financial payment

system and informing the client whether the bet is accepted.

Claims 30-33 are rejected under 35 U.S.C. 103(a) as being unpatentable over Paravia

in view Fischer et al ("Security Analysis and Portfolio Management"; fifth Edition; 19991;

Prentice Hall, Englewood Cliffs, NJ 07632).

Re. Claims 30-33, Paravia discloses receiving a request from a client to wager on an

event outcome on which said client is authorized to wager *[Figures 2-3; C9 L24-L50;*

C10 L49-L55; C22 L57-L67]; determining an amount at risk based upon said requested

wager and wagers made by other clients *[C11 L1-L35; C2 L35-L50; C8 L55-L67; C20*

L61-L65];and determining whether said amount at risk exceeds a predetermined

amount *[C9 L43-L50; C8 L55 to C9 L5] and* limiting future authorized wagers *[C22 L57-*

L67] . Paravia does not explicitly disclose hedging automatically said amount at risk in

accordance with whether said amount at risk exceeds said predetermined amount, and

wherein said hedging comprises completing at least one transaction in a correlated

market, wherein said event outcome has a spread associated therewith and said

hedging comprises increasing said spread of said event outcome, wherein said hedging

comprises to only bids or offers for said wagered event outcome. *However, hedging is*

well-known in the financial market to offset the risk. Fischer discloses

hedging said amount at risk in accordance with whether said amount at risk exceeds

said predetermined amount, and wherein said hedging comprises completing at least

one transaction in a correlated market, wherein said event outcome has a spread

associated therewith and said hedging comprises increasing said spread of said event

outcome, wherein said hedging comprises to only bids or offers for said wagered event

outcome (see selected pages) to provide hedging for option market. *It would have been*

obvious to one of ordinary skill in the art at the time the Applicant's invention was made

to modify the disclosure of Paravia and include hedging said amount at risk in

accordance with whether said amount at risk exceeds said predetermined amount, and

wherein said hedging comprises completing at least one transaction in a correlated

market, wherein said event outcome has a spread associated therewith and said

hedging comprises increasing said spread of said event outcome, wherein said hedging

comprises to only bids or offers for said wagered event outcome, as discloses by

Fischer, to enable the user (client) in wagering of option of the same security.

Claims 46 & 49 rejected under 35 U.S.C. 103(a) as being unpatentable over Paravia in
view of and Friedman (US 6,126,543).

Re. Claim 46, Paravia discloses receiving from a client instructions defining a wagering

limit *[C10 L64 to C11 L18; C18 L33-L53 –"* interface includes but is not limited to data

regarding the player's account number, … additional details regarding a gaming

selection, and units or amounts that the player desires to wager."*]*;

receiving from said client a request to wager on an event outcome *[C5 L19-L30;

C10 L40-L65], and* notifying said client substantially immediately when said total

wagering amount exceeds said wagering limit *[C9 L43-L50; C8 L55 to C9 L5 – e.g. if

the credit limit exceeds, "*the player can be given the opportunity to update or replenish

his or her account at that time", which mean player is alerted*]*.

Paravia does not explicitly disclose calculating a total wagering amount for said client

based upon said requested wager and other wagers made by said client.

However, Friedman discloses calculating a total wagering amount for said client based

upon said requested wager and other wagers made by said client *[Abstract; C6 L32-

L67] to allow wager's interest in outcomes of multiple events until the completion of all

events. It would have been obvious at the time the invention was made to a person

having ordinary skill in the art to combine the disclosure of Paravia and Friedman and*

provide wager system allowing the wager to bet on multiple games (events) at the same time with established credit limit.

Re. Claim 49, Paravia discloses receiving from a client instructions defining a loss limit *[C10 L64 to C11 L18; C5 L19-L30; C10 L40-L65]*, and

     notifying said client substantially immediately when said total loss amount exceeds said loss limit *[C9 L43-L50; C8 L55 to C9 L5; C18 L33-L53 —"interface* includes but is not limited to data regarding the player's account number, ... amounts (client's limit) that the player desires to wager."].

Paravia does not explicitly disclose calculating a total loss amount for said client in response to said client losing a wager, said total loss amount based upon said lost wager and other wagers lost by said client. However, Friedman discloses calculating a total loss amount for said client in response to said client losing a wager, said total loss amount based upon said lost wager and other wagers lost by said client *[Abstract; C6 L32-L67] to allow wager's in outcomes of multiple events. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosures of Paravia and Friedman to provide wager system to protect the client from excess losses.*

Claims 47-48 are rejected under 35 U.S.C. 103(a) as being unpatentable over Paravia in view of Friedman and Thomas et al (hereinafter Thomas – PGPUB 2002/0049975).

Re. Claim 47, Paravia discloses displaying to a client a first display comprising a

selection of event outcomes on which said client is authorized to wager *[C5 L19-L30;*

C9 L1-L5; C22 L57-L67];

   receiving from said client a request to wager on an event outcome *[Abstract; C3*

L39-L55; C9 L24-L50; C10 L49-L55] and access non-wager event [C3 L31-L55].

Paravia does not explicitly disclose   calculating a total wagering amount for said

client based upon said requested wager and other wagers made by said client, and

displaying to said client a second display comprising a non-wagering environment when

said total wagering amount exceeds a predetermined wagering limit, and warning said

client when said requested wager and other wagers of said client exceed said maximum

amount *[C9 L43-L50; C8 L55 to C9 L5]*.

However, Friedman discloses calculating a total wagering amount for said client based

upon said requested wager and other wagers made by said client *[Abstract; C6 L32-*

L67] to allow wager's interest in outcomes of multiple events until the completion of all

events.

Thomas discloses displaying to said client a second display comprising a non-wagering

environment *[paragraph 177 to paragraph 190] to display a second synchronized*

message, which allows the client to watch non-wager event. It would have been obvious

at the time the invention was made to a person having ordinary skill in the art to

combine the disclosures of Paravia, Friedman and Thomas to *allow wager's interest in*

outcomes of multiple events and alert (warning) the client of exceeding limit where the

client can take his time to watch other event and take a brake from betting.

Re. Claim 48, Paravia discloses wherein said predetermined wagering limit is

determined in accordance with instructions received from said client *[Abstract; C11 L1-*

L35; C2 L35-L50; C8 L55-L67; C20 L61-L65 - see rules].

Response to Arguments

5.   Regarding applicant's response to rejection of claim 23 under *35 USC § 112*, the

invention is still not clear to the Examiner. Reviewing of the specification (including page

9 lines 10-15) and the example by the applicant, still does not clarify the invention.

Examiner is unable to relate the example, page 9 (specification) and the limitations of

claim 23. There may be a potential enablement problem with specification, unless the

applicant properly shows the defined limitations in specification.

Regarding the applicant's remaining remarks, the applicant's arguments are

incorporated in the rejections and responded to the pending above claims in response

to the claims.

        selecting wagerable event outcomes on which said client is authorized to wager

is inherent in Paravia, It is obvious that when an investor is buying securities, a horse

fan bets on a horse, a gambler places a bet on black jack or a football fan places a

wager with bookie, he/she first selects/chooses a preferred outcome (buy security A, a

horse with red nose, I bet $2 that my football team "cat" will win by 11 points over team

"dog", or I bet $2 that team "dog" will loss by 11 point to "cat") form a list or multiple

selection to win the wager or gain a profit, and it is obvious that no one buys a stock that eventually will bring him/her a negative profit or bets on losing horse, etc. In order for investor to buy security he/she must have money, margin account or guarantee from third party (such as credit limit from bank, agent, brokerage, etc.) to buy the security. Similarly, an individual with total asset of $30,000 cannot be authorized to open an account with a casino to play with high rollers. Debit-type accounts of Paravia is a guarantee that qualifies (authorizes) the player to gamble to his/her maximum amount in debit account.

Spread, and stop loss are well known in security trading.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T. Dass whose telephone number is 571-272-6793. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 571-272-6799. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Harish T Dass   *Harish TDas*
Examiner
Art Unit 3628

6/15/06